

Message Text

LIMITED OFFICIAL USE

PAGE 01 BRUSSE 04375 062022Z
ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CEA-01 CIAE-00 COME-00 EB-08
FRB-03 INR-10 NSAE-00 SP-02 STR-07 TRSE-00 LAB-04
SIL-01 OMB-01 SEC-01 FTC-01 JUSE-00 /057 W
-----128429 070326Z /64
R 062018Z MAR 78
FM AMEMBASSY BRUSSELS
TO SECSTATE WASHDC 5310
INFO AMEMBASSY PARIS

LIMITED OFFICIAL USE BRUSSELS 04375

USEEC

PARIS FOR OECD

E.O. 11652: N/A
TAGS: EEC, EGEN
SUBJECT: EC COMMISSION ANTI-TRUST INQUIRY OF KODAK
SALES PRACTICES

1. MISSION HAS LEARNED THAT EC COMMISSION COMPETITION
DIRECTORATE GENERAL (DG IV) IS INQUIRING INTO POSSIBLE
ANTI-TRUST VIOLATIONS BY EUROPEAN SUBSIDIARIES OF EASTMAN
KODAK: KODAK PATHE OF FRANCE AND KODAK LTD OF THE UK.
BASIS FOR THE INQUIRY INVOLVES PRACTICE OF TYING THE
SALES OF KODACHROME FILM TO ITS PROCESSING AND DEVELOP-
MENT.

2. KODAK OFFICIALS HAVE TOLD MISSION OFFICERS THEY ARE
NOT OVERLY CONCERNED ABOUT THE COMMISSION ACTION. THE
CASE HAS NOT YET REACHED THE STAGE OF A FORMAL INVESTIGA-
TION. THEY HOPE THAT INITIAL DOCUMENTS AND INFORMATION
WHICH KODAK SUBSIDIARIES RECENTLY MADE AVAILABLE TO
DG IV OFFICIALS WILL BE SUFFICIENT TO REASSURE THEM.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BRUSSE 04375 062022Z

THEY POINT OUT THAT SEVERAL MEMBER STATES HAVE ALREADY
LOOKED INTO THE MATTER AND SUBSEQUENTLY DROPPED THE CASE.
KODAK DEFENSE HAS BEEN THAT THE DEVELOPMENT OF KODACHROME
REQUIRES A HUGE INITIAL INVESTMENT AND REPRESENTS A CON-
SIDERABLE TECHNOLOGICAL BREAKTHROUGH. THEREFORE,
TYING PRODUCES A FAIR RENT ON THEIR EFFORTS.

3. KODAK OFFICIALS CLAIM THAT THE CASE IS
DIFFERENT FROM AN OTHERWISE SIMILAR ANTI-TRUST CASE IN
THE U.S., WHICH WAS DECIDED AGAINST KODAK BECAUSE AT THAT
TIME AN ALTERNATIVE TO KODACHROME TIED SALES DID NOT
EXIST. NOW AN ALTERNATIVE, ECHTACHROME, EXISTS WHOSE SALES
ARE NOT TIED TO PROCESSING AND DEVELOPMENT. HINTON

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SALES, POLICIES, ANTITRUST, INVESTIGATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 06 mar 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978BRUSSE04375
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780102-0218
Format: TEL
From: BRUSSELS USEEC
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t197803104/aaaadkqx.tel
Line Count: 68
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: cc3cf8b7-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3111309
Secure: OPEN
Status: NATIVE
Subject: EC COMMISSION ANTI-TRUST INQUIRY OF KODAK SALES PRACTICES
TAGS: EGEN, EEC, EASTMAN KODAK
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/cc3cf8b7-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014